

PROB 12A
(7/93)

United States District Court
for
District of New Jersey
Report on Offender Under Supervision

Name of Offender: **State Metal Industries, Inc.**

Cr.: 06-00442

Name of Sentencing Judicial Officer: The Honorable Jose L. Linares

Date of Original Sentence: October 25, 2006

Original Offense: Attempted Exportation of Arms Ammunition

Original Sentence: 3 years probation. \$250,000 fine, \$400 Special Assessment. Special conditions: the organization is to submit to a reasonable number of examinations of its books at records at the direction of the U.S. Probation Office, make periodic submissions to the U.S. Probation Office pertaining to its financial condition and notify the U.S. Probation Office immediately of litigation, prosecution or administrative proceedings brought against it.

Type of Supervision: Probation

Date Supervision Commenced: October 25, 2006

SUMMARY

On March 28, 2008, State Metal Industries, Inc., was cited by the Occupational Safety and Health Administration (OSHA) for eight (8) different safety violations. These violations occurred between December 2007 and January 2008. The violations were as follows:

- 1) The company failed to develop a site-specific respiratory protection program for employees who wear respirators
- 2) Employees of the company who were required to wear respiratory protection when responding to releases of chlorine gas could not demonstrate knowledge of the limitations of their air-purifying respirators
- 3) Employee training did not include the measures employees could take to protect themselves from chemical hazards with respect to responding to releases of chlorine gas
- 4) Warning signs were not posted on permit-required confined spaces such as the furnaces, shredder, dross cooler and bag house
- 5) The company failed to develop a written program regarding the entry of employees into areas in which a permit is required
- 6) The company did not conduct an annual inspection of its energy control procedures
- 7) The company did not ensure that maintenance personnel had acquired the knowledge and skills necessary to perform the safe application, usage and removal of energy control devices
- 8) Functioning eye-wash stations which met federal requirements were not found in the chlorine room


U.S. Probation Officer Action:

On April 15, 2008, representatives from State Metal Industries met with officials from OSHA and entered into a settlement agreement whereby State Metal Industries agreed to address the violations no later than June 25, 2008, and pay a negotiated fine in the amount of \$3,937. On June 25, 2008, the probation officer spoke with Michael Corbitt, the supervisor of OSHA's office in Marlton, New Jersey, who advised that State Metal Industries has indeed addressed the violations for which it was cited and has paid the negotiated fine.

It is noted that State Metal Industries has complied with the terms of its supervision. In addition to having reported the OSHA violations to the probation officer in a timely fashion, the company has regularly provided the probation officer with documentation which indicates that it has implemented and is adhering to a compliance plan in order to ensure that it does not once again violate the export laws of the United States.

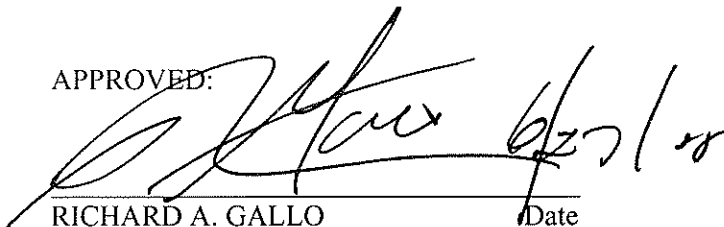
Accordingly, the probation officer is not seeking to file a violation of State Metal Industries' term of probation but wishes only to advise the Court of the OSHA violations. No additional court action is requested at this time.

Respectfully submitted,

By: Joseph A. DaGrossa
U.S. Probation Officer

Date: June 27, 2008

APPROVED:



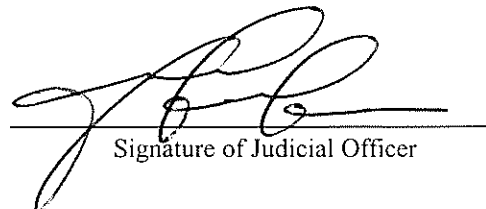
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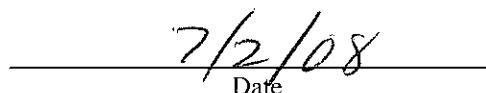
Supervising U.S. Probation Officer

☒ The Court has been notified of the OSHA violations cited against State Metal Industries, Inc., on March 28, 2008, as well as the fact that State Metal Industries has addressed these violations to the satisfaction of OSHA officials and has paid a negotiated fine of \$3,937. No court action is ordered at this time.

- ☐ Submit a Request for Modifying the Conditions or Term of Supervision
☐ Submit a Request for Warrant or Summons
☐ Other



Signature of Judicial Officer



Date